

MIRA INFORM REPORT

Report No. :	521414
Report Date :	28.07.2018

IDENTIFICATION DETAILS

Name :	FORMOSA LABORATORIES, INC.
Registered Office :	No. 36, Hoping St., Luzhu Dist., Taoyuan City
Country :	Taiwan
Financials (as on) :	31.12.2017 (Consolidated)
Date of Incorporation :	29.12.1995
Com. Reg. No.:	96922622
Legal Form :	Joint Stock Company
Line of Business :	Manufacturing and sale of active pharmaceutical ingredients.
No. of Employees :	About 700

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

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ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Taiwan	A1	A2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

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TAIWAN - ECONOMIC OVERVIEW

Taiwan has a dynamic capitalist economy that is driven largely by industrial manufacturing, and especially exports of electronics, machinery, and petrochemicals. This heavy dependence on exports exposes the economy to fluctuations in global demand. Taiwan's diplomatic isolation, low birth rate, rapidly aging population, and increasing competition from China and other Asia Pacific markets are other major long-term challenges.

Following the landmark Economic Cooperation Framework Agreement (ECFA) signed with China in June 2010, Taiwan in July 2013 signed a free trade deal with New Zealand - Taipei's first-ever with a country with which it does not maintain diplomatic relations - and, in November of that year, inked a trade pact with Singapore. However, follow-on components of the ECFA, including a signed agreement on trade in services and negotiations on trade in goods and dispute resolution, have stalled. In early 2014, the government bowed to public demand and proposed a new law governing the oversight of cross-Strait agreements, before any additional deals with China are implemented; the legislature has yet to vote on such legislation, leaving the future of ECFA uncertain. President TSAI since taking office in May 2016 has promoted greater economic integration with South and Southeast Asia through the New Southbound Policy initiative and has also expressed interest in Taiwan joining the Trans-Pacific Partnership as well as bilateral trade deals with partners such as the US. These overtures have likely played a role in increasing Taiwan's total exports, which rose 11% during the first half of 2017, buoyed by strong demand for semiconductors.

Taiwan's total fertility rate of just over one child per woman is among the lowest in the world, raising the prospect of future labor shortages, falling domestic demand, and declining tax revenues. Taiwan's population is aging quickly, with the number of people over 65 expected to account for nearly 20% of the island's total population by 2025.

The island runs a trade surplus with many economies, including China and the US, and its foreign reserves are the world's fifth largest, behind those of China, Japan, Saudi Arabia, and Switzerland. In 2006, China overtook the US to become Taiwan's second-largest source of imports after Japan. China is also the island's number one destination for foreign direct investment. Taiwan since 2009 has gradually loosened rules governing Chinese investment and has also secured greater market access for its investors on the mainland. In August 2012, the Taiwan Central Bank signed a memorandum of understanding (MOU) on cross-Strait currency settlement with its Chinese counterpart. The MOU allows for the direct settlement of Chinese renminbi (RMB) and the New Taiwan dollar across the Strait, which has helped Taiwan develop into a local RMB hub.

Closer economic links with the mainland bring opportunities for Taiwan's economy but also pose challenges as political differences remain unresolved and China's economic growth is slowing. President TSAI's administration has made little progress on the domestic economic issues that loomed large when she was elected, including concerns about stagnant wages, high housing prices, youth unemployment, job security, and financial security in retirement. TSAI has made more progress on boosting trade with South and Southeast Asia, however, which may help insulate Taiwan's economy from a fall in mainland demand should China's growth slow in 2018.

Source : CIA

CONTACT POINTS

Company Name: Formosa Laboratories, Inc.
Former Name: Formosa Laboratories Inc.
Supplied Name: Formosa Laboratories INC
Trading Address: No. 36, Hoping St., Luzhu Dist., Taoyuan City, Taiwan
Supplied Address: 36 HOPING STREET, LOUCHU, TAOYUAN 33842
Telephone Number: +886-3-324-0895
Fax Number: +886-3-324-0923
E-mail: info@formosalab.com
Website: www.formosalab.com
Notes: The exact name and address are as above.

COMPANY IDENTIFICATION DETAILS

Registered Name: Formosa Laboratories, Inc.
Registered Address: No. 36, Hoping St., Luzhu Dist., Taoyuan City, Taiwan
Date of Foundation: 1995-12-29
Registration Number: 96922622
Registry: Department of Commerce, Ministry of Economic Affairs,
R.O.C.
Registered Capital: NTD 1,200,000,000 (USD 39,600,000)
(As of 2018.7, 1 NTD = 0.033 USD)
Paid-up Capital: NTD 930,125,500 (USD 30,694,141.5)
Legal Representatives: Zhengyu Cheng
Legal Form: Joint Stock Company
Principal Activities: Manufacturing and sale of active pharmaceutical ingredients.
Staff: About 700 Employees
Listed at Stock Exchange: Yes; Stock Code: 4746
Date of Last Annual Return: 2017-09-11

HISTORY

Subject was incorporated on 1995-12-29 with registered number 96922622 as Joint Stock Company in Taiwan.

Subject listed on Taiwan Stock Exchange on 2011-3-1.

CORPORATE STRUCTURE

Factories

1	
Name:	Luzhu Factory
Address:	No. 36-1, No.36, Hoping St, Kengkou Li, Luzhu Dist., Taoyuan City, Taiwan
Date of Foundation:	2001-02-08
Date of Registration:	2001-02-16
Factory Registration Number:	99621772
Factory Manager:	Zhonghe Li
Status:	In Production
Date of Last Annual Return:	2015-03-08
Major Products:	199 unclassified other chemical products
2	
Name:	Luzhu the 2nd Factory
Address:	No. 36-1, No.36, Hoping St, Kengkou Li, Luzhu Dist., Taoyuan City, Taiwan
Date of Registration:	2013-07-05
Factory Registration Number:	03001759
Factory Manager:	Zhonghe Li
Status:	In Production
Date of Last Annual Return:	2013-07-05
Major Products:	200 medicines and medical chemicals

SHAREHOLDERS

Major Shareholders

Name	Subscription Shares
Zhengyu Cheng	7,294,366
Sunleva International Inc. Ltd.	110,830
Moluojia Investment Company Limited (Literal Translation)	2,550,642
Yuanqing Investment Company Limited (Literal Translation)	1,120,543
Oujiasita Investment Company Limited (Literal Translation)	2,164,565
Henglang Investment Company Limited (Literal Translation)	430,860
Peiwei Fang	505,005
Hubihua Investment Company Limited (Literal Translation)	203,681

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Wenyng Yu 15,000

Shareholder Information:

1

Registered Name: Sunleva International Inc. Ltd.
Registered Address: 6/F-1, No.200, Sec.1, Fuxing Rd., S., Daan Dist., Taipei City,
Taiwan
Date of Foundation: 2003-12-30
Registration Number: 80659343
Registry: Taipei City Government
Registered Capital: NTD 6,000,000
Paid-up Capital: NTD 6,000,000
Legal Representatives: Shuhua Liu
Legal Form: Joint Stock Company
Date of Last Annual Return: 2016-04-29

2

Registered Name: Moluoqia Investment Company Limited (Literal Translation)
Registered Address: 4F., No.114, Sec. 2, Jungshan Rd., N., Jungshan Dist., Taipei
City, Taiwan
Date of Foundation: 2003-06-18
Registration Number: 80203914
Registry: Taipei City Government
Registered Capital: NTD 7,000,000
Paid-up Capital: NTD 7,000,000
Legal Representatives: Xiuhui Li
Legal Form: Joint Stock Company
Date of Last Annual Return: 2017-08-28

3

Registered Name: Yuanqing Investment Company Limited (Literal Translation)
Registered Address: 3F., No.175, Sec. 2, Anhe Rd., Daan Dist., Taipei City, Taiwan
Date of Foundation: 2004-05-28
Registration Number: 27324930
Registry: Taipei City Government
Registered Capital: NTD 35,000,000
Paid-up Capital: NTD 35,000,000

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Legal Representatives: Hongwen Xie

Legal Form: Joint Stock Company

Date of Last Annual Return: 2016-07-12

4

Registered Name: Oujiasita Investment Company Limited (Literal Translation)

Registered Address: 4F., No.114, Sec. 2, Jungshan Rd., N., Jungshan Dist., Taipei City, Taiwan

Date of Foundation: 2008-06-05

Registration Number: 29034417

Registry: Taipei City Government

Registered Capital: NTD 7,000,000

Paid-up Capital: NTD 7,000,000

Legal Representatives: Xiuhui Li

Legal Form: Joint Stock Company

Date of Last Annual Return: 2017-08-22

5

Registered Name: Henglang Investment Company Limited (Literal Translation)

Registered Address: 5F., No.261, Sec. 1, Dunhua Rd., S., Daan Dist., Taipei City, Taiwan

Date of Foundation: 1999-08-21

Registration Number: 70394533

Registry: Taipei City Government

Registered Capital: NTD 36,336,000

Paid-up Capital: NTD 36,336,000

Legal Representatives: Lianjun Liu

Legal Form: Private Limited Company

Date of Last Annual Return: 2017-04-06

6

Registered Name: Hubihua Investment Company Limited (Literal Translation)

Registered Address: 3F., No.76, Sec. 2, Dunhua Rd., S., Daan Dist., Taipei City, Taiwan

Date of Foundation: 2008-06-18

Registration Number: 29037414

Registry: Taipei City Government

Registered Capital: NTD 51,000,000

Legal Representatives: Deru Hu
Legal Form: Private Limited Company
Date of Last Annual Return: 2014-10-22

MANAGEMENT INFORMATION

Core Management

- 1
Name Zhengyu Cheng
Position Chairman of the Board
- 2
Name Moluojia Investment Company Limited (Literal Translation)
Position Director
- 3
Name Moluojia Investment Company Limited (Literal Translation)
Position Director
- 4
Name Yuanqing Investment Company Limited (Literal Translation)
Position Director
- 5
Name Oujiasita Investment Company Limited (Literal Translation)
Position Director
- 6
Name Henglang Investment Company Limited (Literal Translation)
Position Director
- 7
Name Dingkai Wu
Position Independent Director
- 8

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Name Zheren Zhuang
Position Independent Director
9

Name Peixiwei Fang
Position Supervisor
10

Name Hubihua Investment Company Limited (Literal Translation)
Position Supervisor
11

Name Wenying Yu
Position Supervisor

Personnel Structure

Total Employees About 700 Employees

OPERATION INFORMATION

Offices & Factories

Add Headquarters
No. 36, Hoping St., Luzhu Dist., Taoyuan City, Taiwan

Production Information

Subject is engaged in manufacturing of active pharmaceutical ingredients
Subject has factories in Taiwan for production.
Subject has obtained the certification of ISO 9001.

Purchase Information

The registered activities of subject:

Business Code	Details
F107010	Wholesale of printing and coating
F107020	Wholesale of dyeing and pigmentation
F107030	Wholesale of cleaning products
F107060	Wholesale of toxic chemical
F107070	Wholesale of animal medicine
F107080	Wholesale of environmental medicine

F207070	Retail of animal medicine
F207080	Retail of environmental medicine
F108021	Wholesale of western medicine
F208021	Retail of western medicine
F108040	Wholesale of cosmetics
F401010	International trade
I103010	Enterprise management and consulting industry
IC01010	Pharmaceutical inspection
C801030	Manufacturing of precision chemical material
C802030	Manufacturing of paints and varnishes
C802090	Manufacturing of cleaning products
C802080	Manufacturing of environmental medicine
C802060	Manufacturing of animal medicine
C802041	Manufacturing of western medicine
C802100	Manufacturing of cosmetics
C802110	Manufacturing of cosmetic pigment
F102030	Wholesale of alcohol and tobacco
F203020	Retail of alcohol and tobacco
F401171	Liquor import industry
IG01010	Biotechnology service industry
ZZ99999	Besides licensed business, all other business items those are not banned or restricted.

The raw materials for production are purchased both at home and from abroad.

Sales Information

Subject is engaged in sale of active pharmaceutical ingredients, etc.
The major products are anticancer, MRI enhancing agents, CNS agents, respiratory agents, steroids, cholesterol and phosphate binders, UV filters, etc.
Subject's sales regions cover Taiwan, Japan, Europe, USA, etc.
Subject's major customers are hospitals, manufacturers of cosmetics, etc.

Import and export right:

Import right	Yes
Export right	Yes

SETTLEMENTS

Purchase

Domestic Purchase	
Products	Raw materials, etc.
Payment Terms	T/T, Cash, etc.

Import	
Products	Raw materials, etc.

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Payment Terms L/C, T/T, etc.

Sales

Domestic Markets

Product	Active pharmaceutical ingredients, etc.
Selling Terms	T/T, Cash, etc.

Export

Product	Active pharmaceutical ingredients, etc.
Selling Terms	L/C, T/T, etc.

BALANCE SHEET

Unit: NTD/000

Consolidated	2017-12-31	2016-12-31
Assets		
Current assets		
Cash and cash equivalents		
Total cash and cash equivalents	618,508	347,475
Accounts receivable, net		
Accounts receivable, net	832,090	855,944
Accounts receivable due from related parties, net		
Accounts receivable due from related parties, net	378	14,190
Other receivables		
Other receivables, net	17,002	14,057
Other receivables due from related parties		
Other receivables due from related parties, net	8	0
Current tax assets		
Total current tax assets	0	3,205
Inventories		
Total inventories	913,286	932,430
Prepayments		
Total prepayments	93,398	67,318
Other current assets		
Total other current assets	5,173	8,334
Total current assets	2,479,843	2,242,953
Non-current assets		
Non-current financial assets at fair value through profit or loss		
Total non-current financial assets at fair value through profit or loss	15,404	0

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Non-current available-for-sale financial assets		
Non-current available-for-sale financial assets, net	704,822	1,133,367
Non-current bond investment without active market		
Total Non-current investments in debt instrument without active market	21,566	0
Investments accounted for using equity method		
Investments accounted for using equity method, net	142	44
Property, plant and equipment		
Total property, plant and equipment	3,153,259	2,901,245
Intangible assets		
Total intangible assets	342,657	24,042
Deferred tax assets	62,973	48,050
Other non-current assets		
Total other non-current assets	461,070	384,712
Total non-current assets	4,761,893	4,491,460
Total assets	7,241,736	6,734,413
Liabilities and equity		
Liabilities		
Current liabilities		
Short-term borrowings		
Total short-term borrowings	528,960	399,000
Short-term notes and bills payable		
Total short-term notes and bills payable	49,981	0
Current financial liabilities at fair value through profit or loss		
Total current financial liabilities at fair value through profit or loss	0	794
Notes payable		
Total notes payable	288	288
Accounts payable		
Total accounts payable	162,673	196,704
Other payables		
Total other payables	516,714	445,129
Current tax liabilities	34,220	97,194
Other current liabilities		
Total other current liabilities	990,770	792,332
Total current liabilities	2,283,606	1,931,441
Non-current liabilities		
Long-term borrowings		
Total long-term borrowings	582,724	671,553
Deferred tax liabilities		
Total deferred tax liabilities	92,055	16,563
Other non-current liabilities		
Total other non-current liabilities	182,515	11,267

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Total non-current liabilities	857,294	699,383
Total liabilities	3,140,900	2,630,824
Equity		
Equity attributable to owners of parent		
Share capital		
Ordinary share	930,126	887,167
Total capital stock	930,126	887,167
Capital surplus		
Capital surplus, additional paid-in capital		
Total capital surplus, additional paid-in capital	1,983,845	1,663,223
Capital Surplus, changes in ownership interests in subsidiaries	65,971	0
Capital surplus, share options	0	14,945
Total capital surplus	2,049,816	1,678,168
Retained earnings		
Legal reserve	237,615	189,271
Special reserve	20	20
Unappropriated retained earnings (accumulated deficit)		
Total unappropriated retained earnings (accumulated deficit)	545,042	624,283
Total retained earnings	782,677	813,574
Other equity interest		
Exchange differences on translation of foreign financial statements		
Total exchange differences on translation of foreign financial statements	-8,201	99
Unrealized gains (losses) on available-for-sale financial assets		
Total unrealized gains (losses) on available-for-sale financial assets	264,977	724,581
Other equity, others		
Total other equity, others	0	0
Total other equity interest	256,776	724,680
Total equity attributable to owners of parent	4,019,395	4,103,589
Non-controlling interests	81,441	0
Total equity	4,100,836	4,103,589
Total liabilities and equity	7,241,736	6,734,413

PROFIT AND LOSS ACCOUNT

Unit: NTD/000

Consolidated	2017	2016
Operating revenue		

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Total operating revenue	2,539,353	3,189,380
Operating costs		
Total operating costs	1,533,531	1,931,940
Gross profit (loss) from operations	1,005,822	1,257,440
Gross profit (loss) from operations	1,005,822	1,257,440
Operating expenses		
Selling expenses		
Total selling expenses	169,888	169,942
Administrative expenses		
Total administrative expenses	163,187	152,253
Research and development expenses		
Total research and development expenses	294,550	271,823
Total operating expenses	627,625	594,018
Net operating income (loss)	378,197	663,422
Non-operating income and expenses		
Other income		
Total other income	8,496	4,308
Other gains and losses		
Other gains and losses, net	-53,589	-23,247
Finance costs		
Finance costs, net	21,893	32,114
Share of profit (loss) of associates and joint ventures accounted for using equity method		
Share of profit (loss) of associates and joint ventures accounted for using equity method, net	98	-52
Total non-operating income and expenses	-66,888	-51,105
Profit (loss) from continuing operations before tax	311,309	612,317
Tax expense (income)		
Total tax expense (income)	76,104	128,876
Profit (loss) from continuing operations	235,205	483,441
Profit (loss)	235,205	483,441
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss		
Gains (losses) on remeasurements of defined benefit plans	-2,282	-3,757
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-388	-639
Components of other comprehensive income that will not be reclassified to profit or loss	-1,894	-3,118
Components of other comprehensive		

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income that will be reclassified to profit or loss		
Exchange differences on translation	-10,648	-129
Unrealised gains (losses) on valuation of available-for-sale financial assets	-459,604	234,907
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-1,700	-22
Components of other comprehensive income that will be reclassified to profit or loss	-468,552	234,800
Other comprehensive income, net	-470,446	231,682
Total comprehensive income	-235,241	715,123
Profit (loss), attributable to:		
Profit (loss), attributable to owners of parent	238,645	483,441
Profit (loss), attributable to non-controlling interests	-3,440	0
Comprehensive income attributable to:		
Comprehensive income, attributable to owners of parent	-231,153	715,123
Comprehensive income, attributable to non-controlling interests	-4,088	0
Basic earnings per share		
Basic earnings (loss) per share from continuing operations	2.62	5.50
Total basic earnings per share	2.62	5.50
Diluted earnings per share		
Diluted earnings (loss) per share from continuing operations	2.55	5.23
Total diluted earnings per share	2.55	5.23

CASH FLOWS

Unit: NTD/000		
Consolidated	2017	2016
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	311,309	612,317
Profit (loss) before tax	311,309	612,317
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	265,913	253,205
Amortization expense	17,200	11,893
Provision (reversal of provision) for bad debt expense	29	149

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FORMOSA LABORATORIES, INC. - 521414

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Interest expense	21,893	32,114
Interest income	-6,037	-696
Share-based payments	0	0
Share of loss (profit) of associates and joint ventures accounted for using equity method	-98	52
Loss (gain) on disposal of property, plan and equipment	0	0
Loss (gain) on disposal of investments	-13,195	-6,846
Total adjustments to reconcile profit (loss)	285,705	289,871
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in financial assets held for trading	0	0
Decrease (increase) in accounts receivable	23,825	49,578
Decrease (increase) in accounts receivable due from related parties	13,812	-11,032
Decrease (increase) in other receivable	-1,098	5,624
Decrease (increase) in other receivable due from related parties	-8	0
Decrease (increase) in inventories	19,144	180,169
Decrease (increase) in prepayments	-24,356	26,035
Decrease (increase) in other current assets	3,161	-3,350
Decrease (increase) in other operating assets	0	0
Total changes in operating assets	34,480	247,024
Changes in operating liabilities		
Increase (decrease) in financial liabilities held for trading	-794	552
Increase (decrease) in notes payable	0	288
Increase (decrease) in accounts payable	-34,031	27,221
Increase (decrease) in accounts payable to related parties	0	-12,600
Increase (decrease) in other payable	-35,047	55,082
Increase (decrease) in other current liabilities	-419	-1,862
Increase (decrease) in other operating liabilities	460	-10
Total changes in operating liabilities	-69,831	68,671
Total changes in operating assets and liabilities	-35,351	315,695
Total adjustments	250,354	605,566
Cash inflow (outflow) generated from operations	561,663	1,217,883

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Interest received	1,108	696
Interest paid	-16,978	-22,846
Income taxes refund (paid)	-150,374	-85,658
Net cash flows from (used in) operating activities	395,419	1,110,075
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	-15,404	0
Acquisition of available-for-sale financial assets	-32,020	-112,430
Proceeds from disposal of available-for-sale financial assets	14,156	7,302
Acquisition of investments in debt instrument without active market	-18,481	0
Acquisition of investments accounted for using equity method	0	0
Net cash flow from acquisition of subsidiaries	-105,477	0
Acquisition of property, plant and equipment	-401,098	-419,791
Proceeds from disposal of property, plant and equipment	0	0
Increase in refundable deposits	-1,829	-1,174
Acquisition of intangible assets	-4,066	-9,196
Increase in other non-current assets	-10,704	-1,286
Increase in prepayments for business facilities	-67,993	-32,575
Net cash flows from (used in) investing activities	-642,916	-569,150
Cash flows from (used in) financing activities		
Increase in short-term loans	129,960	-448,000
Increase in short-term notes and bills payable	49,981	0
Repayments of bonds	-55,017	0
Proceeds from long-term debt	1,010,000	549,000
Repayments of long-term debt	-500,479	-538,307
Cash dividends paid	-267,648	-174,936
Proceeds from issuing shares	0	0
Change in non-controlling interests	151,500	0
Net cash flows from (used in) financing activities	518,297	-612,243
Effect of exchange rate changes on cash and cash equivalents	233	-129
Net increase (decrease) in cash and cash equivalents	271,033	-71,447
Cash and cash equivalents at beginning	347,475	418,922

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of period
Cash and cash equivalents at end of 618,508 347,475
period
Cash and cash equivalents reported in 618,508 347,475
the statement of financial position

Note: Subject didn't submit its individual financial information; we obtained its consolidated financials as above for reference.

The above financial figures are based on the IFRSs Accounting System.

BANKERS

Subject declined to disclose its bank details; from other source we could not obtain the relevant information, either.

PUBLIC RECORD

Mortgage

1
Case Type: Chattel Mortgage
Registered Number: 110699
Debtor Name: Formosa Laboratories, Inc.
Registry: Economic Development Bureau of Taoyuan City Government
Name of Mortgagee: Mega International Commercial Bank Co., Ltd. Bade Branch
Date of Registration: 2014-11-05
Amount of Secure Claims: NTD 133,570,000
Type of Mortgage: Machinery equipment or tools

2
Case Type: Chattel Mortgage
Registered Number: 110401
Debtor Name: Formosa Laboratories, Inc
Registry: Economic Development Bureau of Taoyuan City Government
Name of Mortgagee: Mega International Commercial Bank Co., Ltd. Bade Branch
Date of Registration: 2014-09-10
Amount of Secure Claims: NTD 410,900,000
Type of Mortgage: Machinery equipment or tools

3
Case Type: Chattel Mortgage
Registered Number: 109342
Debtor Name: Formosa Laboratories, Inc

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Registry: Economic Development Bureau of Taoyuan City
Government
Name of Mortgagee: Mega International Commercial Bank Co., Ltd. Bade
Branch
Date of Registration: 2014-02-27
Amount of Secure Claims: NTD 133,070,000
Type of Mortgage: Machinery equipment or tools
4
Case Type: Chattel Mortgage
Registered Number: 109117
Debtor Name: Formosa Laboratories, Inc
Registry: Economic Development Bureau of Taoyuan City
Government
Name of Mortgagee: The Shanghai Commercial & Savings Bank, Ltd. Jhongli
Branch
Date of Registration: 2014-01-16
Amount of Secure Claims: NTD 27,600,000
Type of Mortgage: Machinery equipment or tools
5
Case Type: Chattel Mortgage
Registered Number: 107823
Debtor Name: Formosa Laboratories, Inc
Registry: Economic Development Bureau of Taoyuan City
Government
Name of Mortgagee: The Shanghai Commercial & Savings Bank, Ltd. Jhongli
Branch
Date of Registration: 2013-05-22
Amount of Secure Claims: NTD 60,000,000
Type of Mortgage: Machinery equipment or tools

Lawsuit

Up to date of reporting, no existing or latent litigation of the subject has been found.

SPECIAL NOTE

Interview Details
Department

Sales Department

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 68.70
UK Pound	1	INR 89.99
Euro	1	INR 79.98
TWD	1	INR 2.24

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	PRA
Report Prepared by :	DNS

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)

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